CHAPTER 288

HEALTH CARE POLICY AND FINANCING

HOUSE BILL 17-1351

BY REPRESENTATIVE(S) Pettersen and Rankin, Becker K., Coleman, Danielson, Esgar, Exum, Ginal, Hamner, Herod, Jackson, Kennedy, Lontine, Michaelson Jenet, Mitsch Bush, Rosenthal, Salazar, Singer, Valdez, Winter, Young, Duran, Buckner, Hansen, Lee, Weissman;

also SENATOR(S) Crowder and Jahn, Aguilar, Fenberg, Kagan, Kerr, Merrifield, Todd, Williams A.

AN ACT

CONCERNING UTILIZING INFORMATION TO IMPROVE TREATMENT FOR SUBSTANCE USE DISORDERS UNDER THE MEDICAID PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

- (a) According to the 2015 national survey on drug use and health, an estimated twenty-two million Americans have a drug or alcohol use disorder that needs treatment, yet only one in ten receive it;
- (b) Because loss of income is a symptom of substance use disorders, an inability to pay is among the biggest barriers to receiving treatment;
- (c) Colorado faces a prescription drug and heroin use problem, with drug overdose deaths in Colorado increasing by sixty-eight percent between 2002 and 2014;
- (d) Opioid painkillers cause nearly seventeen thousand overdose deaths nationwide and three hundred such deaths in Colorado annually;
- (e) In 2015, nearly thirty percent of total overdose deaths in Colorado were medicaid clients;
- (f) According to the national institute on drug abuse, every dollar invested in the treatment of substance use disorders yields a return of up to seven dollars in reduced

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

drug-related crime and criminal justice costs, and, when health care savings are included, more than a twelve-dollar return on investment; and

- (g) States have an option as part of the medicaid program to cover residential and inpatient substance use disorder treatment.
- (2) Therefore, the general assembly declares that the department of health care policy and financing and the department of human services should prepare and submit a report to the general assembly concerning treatment options for substance use disorders under the medicaid program.

SECTION 2. In Colorado Revised Statutes, **add** 25.5-4-214 as follows:

- 25.5-4-214. Feasibility study residential and inpatient substance use disorder treatment - repeal. (1) On or before November 1, 2017, the state DEPARTMENT SHALL PREPARE A WRITTEN REPORT WITH ASSISTANCE FROM THE DEPARTMENT OF HUMAN SERVICES' OFFICE OF BEHAVIORAL HEALTH CONCERNING THE FEASIBILITY OF PROVIDING RESIDENTIAL AND INPATIENT SUBSTANCE USE DISORDER TREATMENT AS PART OF THE MEDICAID PROGRAM. IN ADDITION, THE REPORT MUST ALSO INCLUDE AN ANALYSIS OF PROVIDING RESIDENTIAL AND INPATIENT SUBSTANCE USE DISORDER TREATMENT AS A STATE-FUNDED BENEFIT RATHER THAN THROUGH THE MEDICAID PROGRAM. THE STATE DEPARTMENT SHALL SUBMIT THE REPORT TO THE JOINT BUDGET COMMITTEE, THE PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES, THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, AND TO ANY LEGISLATIVE STUDY COMMITTEE ADDRESSING SUBSTANCE USE DISORDER TREATMENT THAT MEETS DURING THE 2017 LEGISLATIVE INTERIM. THE STATE DEPARTMENT SHALL PREPARE A COMPREHENSIVE REPORT, INCLUDING WITHIN THE REPORT INFORMATION PROVIDED BY THE DEPARTMENT OF HUMAN SERVICES, AS WELL AS ANY OTHER SOURCES OF INFORMATION AS DETERMINED BY THE STATE DEPARTMENT.
 - (2) THE STATE DEPARTMENT SHALL CONSIDER AND REPORT ON THE FOLLOWING:
- (a) The prevalence of opioid addiction and other substance use disorders in Colorado, including demographic and geographic information:
- (b) EVIDENCE-BASED BEST PRACTICES FOR THE TREATMENT OF SUBSTANCE USE DISORDERS;
- (c) A description of residential and inpatient substance use disorder treatment and a comparison of the treatment costs and administrative costs of providing the service utilizing medicaid dollars or with state funding;
- (d) The eligibility criteria for publicly funded residential and inpatient substance use disorder treatment;
- (e) RESIDENTIAL AND INPATIENT SUBSTANCE USE DISORDER TREATMENT THAT IS NOT CURRENTLY INCLUDED IN COLORADO'S STATE MEDICAID PLAN BUT THAT MAY

BE PROVIDED BY THE STATE AS AN OPTIONAL BENEFIT OR THROUGH A FEDERAL WAIVER;

- (f) Any federal authorization necessary to include residential and inpatient substance use disorder treatment as a benefit under the medicaid program or waiver of federal rules that would allow for expansion of residential and inpatient treatment;
- (g) An estimate of the number of medicaid clients who may be eligible for the benefit if the benefit were included as part of the medicaid program;
- (h) Whether facilities currently providing residential and inpatient substance use disorder treatment in Colorado would be able to provide those services under the medicaid program:
- (i) An estimate of state costs associated with providing residential and inpatient substance use disorder treatment as part of the medicaid program;
- (j) Published research relating to other state costs incurred for the medicaid program and other public assistance program expenses that may be avoided if residential and inpatient substance use disorder treatment is included as part of the medicaid program;
- (k) If known, other states providing residential and inpatient substance use disorder treatment as part of the medicaid program and the experiences of those states relating to implementation, cost, savings, and efficacy of residential and inpatient treatment;
- (1) If known, the number and cost of emergency room visits or hospital stays by medicaid clients in Colorado relating to substance use disorders;
- (m) If known, the number of county law enforcement contacts related to persons using drugs or alcohol and the percentage of persons entering county jails who have substance use disorders; and
- (n) If known, state and national research on how access to residential and inpatient substance use disorder treatment impacts recidivism and law enforcement resources.
- (3) As part of the report, the state department and the department of human services shall include recommendations to the general assembly concerning:
- (a) The time frame for implementation of residential and inpatient substance use disorder treatment as a benefit under the medicaid program, as well as any other benefit planning or implementation considerations;

- (b) Effective use of state and federal funding and the improvement of coordination among state agencies in administering all substance use disorder programs and treatment options in Colorado;
- (c) Changes to state Law necessary to implement the residential and inpatient substance use disorder treatment benefit as part of the medicaid program; and
- (d) Changes, if any, to training requirements for certified addiction counselors necessary to implement effective substance use disorder treatment and to meet federal requirements for medicaid providers.
- (4) In preparing the report, the state department and the department of human services may use national data from recognized sources if state-level data is unavailable and may solicit information and research from state agencies and other organizations regarding the social and financial impacts of substance use disorders in Colorado and effective options for treatment.
 - (5) This section is repealed, effective July 1, 2019.
 - **SECTION 3.** In Colorado Revised Statutes, 39-28.8-501, **add** (4)(e) as follows:
- **39-28.8-501. Marijuana tax cash fund creation distribution legislative declaration.** (4) The state treasurer shall make the following transfers from the fund to the general fund:
- (e) On June 30, 2018, Thirty-Seven thousand five hundred dollars for the purpose specified in Section 25.5-4-214.
- **SECTION 4. Appropriation.** (1) For the 2017-18 state fiscal year, \$37,500 is appropriated to the department of health care policy and financing. This appropriation is from the general fund. To implement this act, the department may use this appropriation for general professional services and special projects.
- (2) For the 2017-18 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$37,500 in federal funds for general professional services and special projects to implement this act. The appropriation in subsection (1) of this section is based on the assumption that the department will receive this amount of federal funds, which is included for informational purposes only.
- **SECTION 5. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 2, 2017